
Editor's introductory note: Over the past couple of years Floyd has run his 'Last Word' column in the Bulletin. The article below is truly his last word. It was the only part of this Bulletin that he had finalized for printing. On the following pages is a cut and paste of Floyd's copy. It should provide a springboard for further discussion about the value of perfin.

Translating the rating system into dollars and cents!

How much should you pay for U.S. perfins?

The Cain rating system for U.S. perfins measures the relative scarcity of perfin patterns.

With some minor adjustments, it has been around for nearly 40 years. Under the Cain system, perfins are rated from A, the scarcest (10 or fewer copies known), to F (common enough to be used for wallpaper!). The original Cain system included only A, B, C, D, and E ratings. The F rating was added later and in the 1998 U.S. catalog, B+, C+, and D+ were added to label patterns that were less plentiful than the higher letter but scarcer than the next lower letter. The rating system is explained in detail in the 1998 U.S. catalog.

However, many perfins collectors—especially those new to the hobby—often ask what the alphabetical ratings mean in terms of dollars and cents. In other words, how much is an A-rated, or a C-rated, or an F-rated perfin actually worth?

Despite cautions from the Club president that I was entering dangerous territory, I embarked on a search for an answer to that question.

Long gone are the days when perfins, regardless of scarcity, could be had for 10¢ a hundred. What was once regarded as junk, or damaged stamps, now is recognized by almost every philatelist as collectable.

At the same time, it's difficult to find any sort of agreement about what perfin pricing should be based on. The rating system is a comparison of relative scarcity, but there aren't enough dealers in perfins to have established a "market" or a set of reliable guidelines for pricing perfins. Most perfins are bought and sold by collectors who want to buy perfins they need and will sell—sometimes reluctantly—their duplicates.

My own experience as a collector and a buyer is

extensive enough to appreciate the wide variation in perceived value of perfins. At the Club's annual meetings, I've seen A-rated perfins sell frequently for \$25.00 each and just as frequently for \$10.00. C-rated patterns go commonly for a couple of bucks but I've also seen collectors shell out \$10 for one they need for their collection.

There should be, I reasoned, some way to get a broad-based sampling of what those who buy and sell perfins consider "fair prices."

I began by sending questionnaires to 20 members of the Perfins Club who are known to be active

Rating	High	Low	Average
A	25.00	5.00	15.62
B+	18.00	5.00	9.45
B	15.00	4.00	6.75
C+	8.00	.75	3.14
C	6.00	.75	1.85
D+	5.00	.15	1.04
D	2.00	.10	.45
E	.25	.05	.11
F	.25	.00	.06

in buying and selling perfins on a fairly regular basis. A couple of those questioned did not respond to the survey, a couple of others provided sketchy information at best, but more than a dozen of those surveyed did provide enough information to at least arrive at some answers to our questions.

The survey asked for specific prices for A, B+, B, C+, C, D+, D, E, and F perfins. Respondents were asked to provide the prices they would use if they were selling perfins, not buying them. The pricing information was to be based on complete perfins (no missing holes) and sound (undamaged) stamps.

In addition, respondents were asked what factors would cause them to price a particular perfin at LESS than or MORE than those prices. In addition, they were asked what it is about the STAMP the perfin is in would make them price the perfin for more. Then we turned the tables and asked how they might deviate from the stated prices if they were buying. Finally, we asked for any comments they think might help others understand perfins pricing.

Remember: perfins are a hobby, not an investment!

The table on the front page shows the raw data from the survey. The average price was arrived at by adding up all the prices given for a particular rating and then dividing by the number of responses involved.

As the table indicates, there is a wide variation in prices. In some cases, the table doesn't really begin to show the widest possible variation. While \$25.00 is not an uncommon price for A-rated patterns, one member reported at least one pattern sold at \$75.00 and several respondents added "an up" to their \$25.00 quotation. The low quotation for an A-rated pattern came from a respondent who quoted that same price for A, B+, B, C+, and C rated perfins and added an "and up" to each one!

The same sort of high-low variation is apparent for each of the ratings.

Most surprising, perhaps, is the prices provided for E and F rated patterns. In each case 25¢ was the high quotation (and not from the same person, incidentally). The prevailing price quoted for both patterns was 5¢, but one respondent indicated that he gives away his F-rated perfins to new collectors.

So what makes a perfin sell for less?

Incomplete or split patterns, a damaged stamp, or numerous copies of a particular pattern in stock might cause a seller to drop his price.

What makes a perfin sell for more?

The same factors, generally, with a major exception: the stamp issue itself. Perfins on some stamps will usually bring better prices. Airmails, special delivery stamps, commemoratives, and 1902 issues were cited as examples. A precancel on the perfin can affect the price. Scarce items such as perfins on Columbians obviously don't fall within the prices listed. An E-rated perfin on a Co-

exceptions to that are a couple of members who are stamp dealers and handle perfins as part of their normal stamp trade. They must make a profit on the perfins the same as any other material they handle. However, most members who sell perfins are simply collectors who are building their personal collections and selling off their duplicates.

The respondents all said that if they needed a particular pattern for their collection, they would deviate from their own price guidelines: "If I need a pattern I will buy it—price be damned!" said one.

It's worth noting here that one respon-

C+--\$1.00 to \$3.00
C--50¢ to \$1.00
D+--25¢ to 50¢
D--5¢ to 20¢
E and F--5¢

So what advice do these members have for the rest of us when it comes to buying perfins?

First and foremost, remember that this is a hobby and not an investment. True, you may make money on some of the perfins you buy when you sell them, but there are far safer and more profitable investments.

Learn as much as you can about perfins. Visit, talk with, correspond with, and pick the brains of more knowledgeable collectors. The members we surveyed

Other variables affect perfins on cover

The prices of perfins on cover have little if any relationship to the prices of perfins on single stamps off cover.

While cover sales manager Millard Driscoll says A & B perfins on cover usually sell for "\$10 and up" and those on C+ and lower rated perfins correspondingly less, he also notes that any perfin on a cover is usually worth a buck or more.

In addition, there are dozens of variants in cover values: colorful corner cards, postmarks, special usages, overseas recipients, well-known senders or recipients and other factors all contribute to cover values.

An E-rated perfin on a cover with a 1908 or 1909 postmark is going to command a significant premium over the same perfin with a 1920

for this article are all experienced collectors/dealers who have years of experience handling perfins.

Don't use the prices realized on internet auctions as a guideline. In many, many cases, these prices are terribly inflated, sometimes by ignorant collectors and sometimes by factors totally unrelated to the perfin involved.

A couple of respondents noted that the ratings system itself is not always a reliable guide to perfin scarcity and that is a point well worth noting. Considering that the A rating is given to patterns known to exist

lumbian is going to bring a hefty premium.

So do the sellers follow the same guidelines when they're buying perfins? Curiously enough, nearly every one responding to the survey said there isn't that much difference between their buying and selling prices. The

dent provided information that may reflect an even wider sample of perfin prices.

Club sales manager Bob Combs says this is how U.S. perfins are usually priced by sellers in club circuits.
A--\$7.50 up
B+--\$5.00 to \$7.50
B--\$2.50 to \$5.00

in 10 or fewer collections, the sudden discovery of a half dozen new copies can potentially change the rating. Bear in mind also that the ratings are based on "reported copies," not on any firm knowledge that those are the only copies known to exist.

So, do you know any more than you did about pricing perfins? After reading all the survey data and the comments provided by the respondents, I am not sure I'm really any smarter than I was, but I do have a greater comfort level when I am spending my money.

Years ago, I worked for a stamp dealer in Texas, one of the old-line dealers who had a huge stock of material and sold out of a street-level retail store. He was constantly being asked about the value of stamps. His advice is as good today as it ever was: it all depends on how bad you want it in your collection!
